

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE:	
REVISIONS AND UPDATES TO PIPELINE AND ELECTRIC LINE RULES [199 IAC 10, 11, 13, 15, 19, 20, AND 25]	DOCKET NO. RMU-04-6

ORDER ADOPTING AMENDMENTS

(Issued September 22, 2004)

Pursuant to the authority of Iowa Code §§ 17A.3, 17A.4, 476.1, 476.2, 476.27, 476.41, 478.1, 478.7, 478.18 to 478.20, 479.1, 479.5, 479.12, 479.17, 479B.1, 479B.5, and 479B.9, the Utilities Board (Board) adopts the amendments attached hereto and incorporated herein by reference. The amendments are to the Board's pipeline and electric line rules in 199 IAC chapters 10, 11, 13, 15, 19, 20, and 25. This proceeding has been identified as Docket No. RMU-04-6.

On August 18, 2004, the Board published a "Notice of Intended Action" in the Iowa Administrative Bulletin containing the proposed amendments, see IAB Vol. XXVII, No. 4 (8/18/04) p. 270, ARC 3592B. The Board proposed the amendments based upon its continuing review of its pipeline and electric line rules.

The amendments update several references to technical standards and federal regulations, make minor revisions to reflect the Board's new rules regarding public utility crossings of railroad rights-of-way, correct inconsistencies in the current rules, and reflect new information or requirements, including one statutory change.

Written comments addressing the proposed amendments were filed by the Consumer Advocate Division of the Department of Justice (Consumer Advocate), MidAmerican Energy Company (MidAmerican), and Interstate Power and Light Company (IPL). Consumer Advocate's written comments supported the rules as proposed. Board analysis of the comments from MidAmerican and IPL is set out below.

A public hearing to present oral comments on the proposed rules was held on September 14, 2004. The Iowa Association of Electric Cooperatives (IAEC) appeared, expressed general support for the proposed rules, and indicated its support of IPL's written comments. Consumer Advocate was present but did not offer further comments.

The proposed amendments to rules 10.1(479), 10.16(479), 10.17 (479), 11.1(478), 13.1(479B), 19.8(476), subrules 10.12(1), 10.14(2), 11.3(1), 13.14(2), 15.10(1), 19.5(2), 19.6(3), 19.8(3), 20.5(2), 25.2(2), 25.3(5), paragraph 19.2(5)"g," and subparagraph 11.2(1)"d"(2) did not result in any public comment. Those amendments will be adopted without further discussion.

The proposed amendments to paragraphs 10.2(1)"f" and 13.2(1)"f," subrule 20.1(3), and paragraph 25.2(5)"b" did result in public comment. Based upon its review of the comments, the Board has made certain revisions to these proposed amendments. The Board's analysis of and response to the comments is as follows:

1. Proposed amendments to paragraphs 10.2(1)"f" and 13.2(1)"f"

In Items 2 and 11 of the Notice of Intended Action, the Board proposed to amend paragraphs 10.2(1)"f" and 13.2(1)"f" by revising the pipeline permit filing requirements as follows:

f. Exhibit F. This exhibit shall contain the following:

(1) A statement of the purpose of the project and a description of how the services rendered by the pipeline will promote the public convenience and necessity.

(2) A general statement covering each of the following topics: the nature of the lands, waters, and public or private facilities to be crossed; the possible use of alternative routes; the relationship of the proposed pipeline to present and future land use and zoning ordinances; and the inconvenience or undue injury which may result to property owners as a result of the proposed project.

(3) For an existing pipeline, the year of original construction and a description of any amendments or significant modifications since the last permit action.

Iowa Code §§ 479.12 and 479B.9 require a finding of public convenience and necessity before the Board can grant a pipeline permit or a hazardous liquid pipeline permit, respectively. The finding is typically based on the petitioner's testimony at hearing. However, the rules governing permit renewals do not require a hearing in all cases, leaving the contents of the petition as the primary source of information that can be used to support a finding of public convenience and necessity. The record in these cases would be improved if the petitioner is required to include more information in the petition and its exhibits. The proposed amendments accomplish

this objective by requiring petitioners to include a statement of the purpose of the project and a description of how the services rendered by the pipeline will promote the public convenience and necessity and, for an existing pipeline, the year of original construction, and a description of any amendments or significant modifications since the last permit action. Also, requiring the petitioner to summarize past changes to existing pipelines will add continuity to the record and simplify staff review.

MidAmerican did not object to including information in its permit filing summarizing amendments to permits but noted some confusion in the proposed language. MidAmerican stated that the phrase "last permit action" could be construed to mean the last amendment made to a permit, in which case there would never be any information to include in the summary. MidAmerican also noted that the term "significant modification" was unclear. MidAmerican proposed changing the language in each of the paragraphs to read: "For an existing pipeline, the year of original construction, and a description of any amendments since the permit or latest renewal permit was issued."

The Board agrees that the proposed language needs to be revised for greater clarity. The Board notes that rules 10.18(479) and 13.18(479B), both titled "Reportable changes to pipelines under permit," require notice to the Board of changes which do not require amendment of the pipeline permit but of which the Board nevertheless wants to be made aware. The Board believes reportable

changes should be included in the summary information reported to the Board for renewal of pipeline permits, and will modify the amendments to provide the Board with the information it needs and achieve greater clarity. The Board will amend paragraphs 10.2(1)"f" and 13.2(1)"f" to read as follows:

f. Exhibit F. This exhibit shall contain the following:

(1) A statement of the purpose of the project and a description of how the services rendered by the pipeline will promote the public convenience and necessity.

(2) A general statement covering each of the following topics: the nature of the lands, waters, and public or private facilities to be crossed; the possible use of alternative routes; the relationship of the proposed pipeline to present and future land use and zoning ordinances; and the inconvenience or undue injury which may result to property owners as a result of the proposed project.

(3) For an existing pipeline, the year of original construction and a description of any amendments or reportable changes since the permit or latest renewal permit was issued.

2. Identification of author of technical reference

MidAmerican also noted that the proposed amendment in Item 22 incorrectly identified the authors of the most recent edition of "The Lineman's and Cableman's Handbook." The Board agrees with MidAmerican and has correctly identified the authors in the amendment to paragraph 25.2(5)"b."

3. Proposed definition of electric transmission line

In Item 19, the Board proposed to amend the definition of transmission line subrule 20.1(3) as follows:

“Transmission line” means any single or multiphase electric power line operating at nominal voltages in excess of either ~~26,000~~ 69,000 volts between ungrounded conductors or ~~15,000~~ 40,000 volts between grounded and ungrounded conductors, regardless of the functional service provided by the line.

The Board's intent was to make the definition of transmission line in subrule 20.1(3) consistent with the definitions of the term found elsewhere in statute, Board rules, and industry practice.

IPL stated in its written comments that it does not oppose the rule changes, and that it believes it is appropriate for the definition of transmission line in subrule 20.1(3) to be the same as that in Iowa Code chapter 478 and 199 IAC 11. IPL's comments revealed that the proposed definition of a transmission line as a line over 69,000 volts would not be consistent with Iowa Code chapter 478 and 199 IAC 11 where the stated threshold is 69,000 volts or more. IPL suggested that the amendment be revised to define a transmission line as a line operating at or in excess of either 69,000 volts or 40,000 volts. IAEC supported this change. The Board agrees with IPL and IAEC and amends subrule 20.1(3) as follows:

“Transmission line” means any single or multiphase electric power line operating at nominal voltages at or in excess of either ~~26,000~~ 69,000 volts between ungrounded conductors or ~~15,000~~ 40,000 volts between grounded and ungrounded conductors, regardless of the functional service provided by the line.

ORDERING CLAUSES

IT IS THEREFORE ORDERED:

1. A rule making proceeding, identified as Docket No. RMU-04-6, is adopted.
2. The Executive Secretary is directed to submit for publication in the Iowa Administrative Bulletin an "Adopted and Filed" notice in the form attached to and incorporated by reference in this order.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 22nd day of September, 2004.

UTILITIES DIVISION [199]

Adopted and Filed

Pursuant to the authority of Iowa Code sections 17A.3, 17A.4, 476.1, 476.2, 476.27, 476.41, 478.1, 478.7, 478.18 to 478.20, 479.1, 479.5, 479.12, 479.17, 479B.1, 479B.5, and 479B.9, the Utilities Board (Board) gives notice that on September 22, 2004, the Board issued an order in Docket No. RMU-04-6, In re: Revisions and Updates to Pipeline and Electric Line Rules [199 IAC Chapters 10, 11, 13, 15, 19, 20, and 25], "Order Adopting Amendments." The order adopted amendments with certain revisions to Chapters 10, 11, 13, 15, 19, 20, and 25 that had been identified in the Notice of Intended Action and published in IAB Vol. XXVII, No. 4 (8/18/04) p. 270, as ARC 3592B.

The amendments update several references to technical standards and federal regulations, make minor revisions to reflect the Board's new rules regarding public utility crossings of railroad rights-of-way, correct inconsistencies in the current rules, and reflect new information or requirements, including one statutory change.

Written comments addressing the proposed amendments were filed by the Consumer Advocate Division of the Department of Justice (Consumer Advocate), MidAmerican Energy Company (MidAmerican), and Interstate Power and Light Company (IPL). Consumer Advocate supported the rules as proposed. IPL

suggested one change to the definition of electric transmission line in subrule 20.1(3). The Board adopted IPL's suggestion in Item 19.

MidAmerican made two suggestions for clarification, one of which correctly identifies the authors of one of the technical resources incorporated by reference in paragraph 25.2(5)"b." The Board made that correction in Item 22. MidAmerican's other comment related to proposed new language in paragraphs 10.2(1)"f" and 13.2(1)"f" regarding information to be submitted with a petition for renewal of a pipeline permit. The Board adopted MidAmerican's suggestion with some modification in Items 2 and 11.

A public hearing to present oral comments on the proposed rules was held on September 14, 2004. The Iowa Association of Electric Cooperatives (IAEC) appeared, expressed general support for the proposed rules, and indicated its support of IPL's written comments regarding the definition of electric transmission line. Consumer Advocate was present but did not offer further comments.

The proposed amendments, comments, and analysis in support of the proposed amendments and revisions can be found on the Board's Web site, www.state.ia.us/iub.

These amendments are intended to implement Iowa Code sections 17A3, 17A.4, 476.1, 476.2, 476.27, 476.41, 478.1, 478.7, 478.18 to 478.20, 479.1, 479.5, 479.12, 479.17, 479B.1, 479B.5, and 479B.9.

The amendments will be effective on November 17, 2004.

The following amendments are adopted.

Item 1. Amend rule 199—10.1(479) by adding **new** subrule 10.1(4) as follows:

10.1(4) Railroad crossings. Where these rules call for the consent or other showing of right from a railroad for a railroad crossing, an affidavit filed by a petitioner which states that proper application for approval of railroad crossing has been made, that a one-time crossing fee has been paid as provided for in rule 199—42.3(476), and that 35 days have passed since mailing of the application and payment with no claim of special circumstance or objection from the railroad will be accepted as a showing of consent for the crossing.

Item 2. Amend paragraph 10.2(1)"f" as follows:

f. Exhibit F. This exhibit shall contain the following:

(1) A statement of the purpose of the project and a description of how the services rendered by the pipeline will promote the public convenience and necessity.

(2) A general statement covering each of the following topics: the nature of the lands, waters, and public or private facilities to be crossed; the possible use of alternative routes; the relationship of the proposed pipeline to present and future land use and zoning ordinances; and the inconvenience or undue injury which may result to property owners as a result of the proposed project.

(3) For an existing pipeline, the year of original construction and a description of any amendments or reportable changes since the permit or latest renewal permit was issued.

Item 3. Amend subrule 10.12(1) as follows:

10.12(1) All pipelines, underground storage facilities, and equipment used in connection therewith shall be designed, constructed, operated, and maintained in accordance with the following standards:

a. 49 CFR Part 191, "Transportation of Natural and Other Gas by Pipeline; Annual Reports, Incident Reports, and Safety-Related Condition Reports," as amended through ~~March 13, 2002~~ [effective date to be inserted].

b. 49 CFR Part 192, "Transportation of Natural and Other Gas by Pipeline; Minimum Federal Safety Standards," as amended through ~~March 13, 2002~~ [effective date to be inserted].

c. 49 CFR Part 199, "Drug and Alcohol Testing," as amended through ~~March 13, 2002~~ [effective date to be inserted].

d. ASME B31.8 - ~~1999~~ 2003, "Gas Transmission and Distribution Piping Systems."

e. 199 IAC 9, "Restoration of Agricultural Lands During and After Pipeline Construction."

f. At railroad crossings, 199 IAC 42.7(476), "Engineering standards for pipelines."
Conflicts between the standards established in paragraphs 10.12(1)"a" through "e" "f" or between the requirements of rule 199—10.12(479) and other requirements which are shown to exist by appropriate written documentation filed with the board shall be resolved by the board.

Item 4. Amend subrule 10.14(2) as follows:

10.14(2) Pipeline routes which include crossings of highway or railroad right-of-way at other than an approximate right angle, or longitudinally on such right-of-way, ~~will not be granted a pipeline permit by the board~~ shall not be constructed unless a showing of consent by the appropriate authority ~~is~~ has been provided by the petitioner ~~(ref: 199—10.2(1)"e")~~. as required in paragraph 10.2(1)"e."

Item 5. Amend rule 199—10.16(479) as follows:

199—10.16(479) When a permit is required. A pipeline permit shall be required for any pipeline which will be operated at a pressure of over 150 pounds per square inch gage ~~or more~~, or which, regardless of operating pressure, is a transmission line as defined in ASME B31.8 or 49 CFR Part 192. Questions on whether a pipeline requires a permit are to be resolved by the board.

Item 6. Amend rule 199—10.17(479) as follows:

199—10.17(479) Accidents and incidents. Any pipeline incident or accident which is reportable to the U.S. Department of Transportation under 49 CFR Part 191 as amended through ~~March 13, 2002~~ [effective date to be inserted], shall also be reported to the board, except that the minimum economic threshold of damage required for reporting to the board is \$15,000. Duplicate copies of any written accident reports and safety-related condition reports submitted to the U.S. Department of Transportation shall be provided to the board.

Item 7. Amend rule 199—11.1(478) by adding **new** subrule 11.1(8) as follows:

(8) Railroad crossings. Where a petition for temporary construction permit is made as provided for in Iowa Code section 478.31, an affidavit filed by the petitioner which states that proper application for approval of railroad crossing has been made, that a one-time crossing fee has been paid as provided for in rule 199—42.3(476) and that 35 days have passed since mailing of the application and payment with no claim of special circumstance or objection from the railroad will be accepted as a showing of railroad approval for the crossing.

Item 8. Amend subparagraph 11.2(1)"d"(2) as follows:

(2) If the route or any portion thereof is not near and parallel to roads, railroad right-of-way₁ or along division lines of the lands, according to government surveys, a showing of why such parallel routing is not practicable or reasonable.

Item 9. Amend subrule 11.3(1) as follows:

11.3(1) Forms. The following forms are available from the ~~utilities~~ board₁ and the appropriate form shall be used when filing any petition. An original and ~~one copy~~ three copies of the petition and exhibits shall be filed.

a. to f. No change.

Item 10. Amend rule 199—13.1(479B) by adding new subrule 13.1(4) as follows:

13.1(4) Railroad crossings. Where these rules call for the consent or other showing of right from a railroad for a railroad crossing, an affidavit filed by a petitioner which states that proper application for approval of railroad crossing has been made, that a one-time crossing fee has been paid as provided for in rule 199— 42.3(476) and that 35 days have passed since mailing of the application and payment with no claim of special circumstance or objection from the railroad will be accepted as a showing of consent for the crossing.

Item 11. Amend paragraph 13.2(1)"f" as follows:

f. Exhibit F. This exhibit shall contain the following information:

(1) A statement of the purpose of the project and a description of how the services rendered by the pipeline will promote the public convenience and necessity.

(2) A general statement covering each of the following topics: the nature of the lands, waters, and public or private facilities to be crossed; the possible use of alternative routes; the relationship of the proposed pipeline to present and future land

use and zoning ordinances; and the inconvenience or undue injury which may result to property owners as a result of the proposed project.

(3) For an existing pipeline, the year of original construction and a description of any amendments or reportable changes since the permit or latest renewal permit was issued.

Item 12. Amend subrule 13.14(2) as follows:

13.14(2) Pipeline routes which include crossings of highway or railroad right-of-way at other than an approximate right angle, or longitudinally on the right-of-way, ~~will not be granted a pipeline permit by the board~~ shall not be constructed unless a showing of consent by the appropriate authority ~~is~~ has been provided by the petitioner as required in paragraph ~~"e" of subrule 13.2(1)"e."~~

Item 13. Amend subrule 15.10(1) by adding **new** paragraph "h" as follows:

h. Standard for Interconnecting Distributed Resources with Electric Power Systems, ANSI/IEEE 1547-2003.

Item 14. Amend paragraph 19.2(5)"g" as follows:

g. Reports to federal agencies. Copies of reports submitted pursuant to 49 CFR Part 191 as amended through ~~February 1, 2003~~ [effective date to be inserted], "Transportation of Natural and Other Gas by Pipeline; Annual Reports, Incident Reports, and Safety-Related Condition Reports," shall be filed with the board. Utilities operating in other states ~~besides Iowa~~ shall provide to the board data for Iowa only.

Item 15. Amend subrule 19.5(2) as follows:

19.5(2) Standards incorporated by reference.

a. The design, construction, operation, and maintenance of gas systems and liquefied natural gas facilities shall be in accordance with the following standards where applicable:

(1) 49 CFR Part 191, "Transportation of Natural and Other Gas by Pipeline; Annual Reports, Incident Reports, and Safety-Related Condition Reports," as amended through ~~February 1, 2003~~ [effective date to be inserted].

(2) 49 CFR Part 192, "Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards," as amended through ~~February 1, 2003~~ [effective date to be inserted].

(3) 49 CFR Part 193, "Liquefied Natural Gas Facilities: Federal Safety Standards," as amended through ~~February 1, 2003~~ [effective date to be inserted].

(4) 49 CFR Part 199, "Drug and Alcohol Testing," as amended through ~~February 1, 2003~~ [effective date to be inserted].

(5) ASME B31.8 ~~1999~~ 2003, "Gas Transmission and Distribution Piping Systems."

(6) ANSI/NFPA No. 59-~~2004~~ 2004, "Standard for the Storage and Handling of Liquefied Petroleum Gases at Utility Gas Plants."

(7) At railroad crossings, 199 IAC 42.7(476), "Engineering standards for pipelines."

b. The following publications are adopted as standards of accepted good practice for gas utilities:

(1) ANSI Z223.1/NFPA 54-~~1999~~ 2002, "National Fuel Gas Code."

(2) ANSI A225/NFPA 501A-~~2000~~ 2003, "Fire Safety Criteria for Manufactured Home Installations, Sites, and Communities."

Item 16. Amend subrule 19.6(3) as follows:

19.6(3) Accepted good practice. The following publications are considered to be representative of accepted good practice in matters of metering and meter testing:

- a. American National Standard for Gas Displacement Meters (500 Cubic Feet Per Hour Capacity and Under), ANSI B109.1-2000.
- b. American National Standard for Diaphragm Type Gas Displacement Meters (Over 500 Cubic Feet Per Hour Capacity), ANSI B109.2-2000.
- c. American National Standard for Rotary Type Gas Displacement Meters, ANSI B109.3-2000.
- d. Measurement of Gas Flow by Turbine Meters, ANSI/ASME MFC-4M- ~~1997~~ 1986 (R1997).
- e. Orifice Metering of Natural Gas and Other Related Hydrocarbon Fluids, - ~~ANSI/API 2530-1994~~ API MPMS Chapter 14.3, Parts 1-4.

Item 17. Amend subrule 19.8(3) as follows:

19.8(3) Turning on gas. Each utility upon the installation of a meter and turning on gas or the act of turning on gas alone shall take the necessary steps to assure itself that there exists no flow of gas through the meter which is a warning that the customer's piping or appliances are not safe for gas turn on (Ref: Sec. 4.2 and Appendix D, ANSI Z223.1/NFPA 54- ~~1999~~ 2002).

Item 18. Amend rule 199—19.8(476) by adding **new** subrule 19.8(6) as follows:

19.8(6) Burial near electric lines. Each pipeline shall be installed with at least 12 inches of clearance from buried electrical conductors. If this clearance cannot be maintained, protection from damage or introduction of current from an electrical fault shall be provided by other means.

Item 19. Amend subrule 20.1(3), definition of transmission line, as follows:

“Transmission line” means any single or multiphase electric power line operating at nominal voltages at or in excess of either ~~26,000~~ 69,000 volts between ungrounded conductors or ~~15,000~~ 40,000 volts between grounded and ungrounded conductors, regardless of the functional service provided by the line.

Item 20. Amend subrule 20.5(2) by adding **new** paragraph "j" as follows:

j. At railroad crossings, 199 IAC 42.6(476), “Engineering standards for electric and communications lines.”

Item 21. Amend subrule 25.2(2) by adding **new** paragraph "g" as follows:

g. Lines crossing railroad tracks shall comply with the additional requirements of 199 IAC 42.6(476), “Engineering standards for electric and communications lines.”

Item 22. Amend paragraph 25.2(5)"b" as follows:

b. “The Lineman’s and Cableman’s Handbook,” ~~Ninth~~ Tenth Edition; ~~Kurtz, Edwin B. and Shoemaker, Thomas M.~~ and Mack, James E.; New York, McGraw-Hill Book Co., is adopted as a recommended guideline to implement the “National Electrical Safety Code” or “National Electrical Code,” and for developing the inspection and maintenance plans required by 199 IAC 25.3(476,478).

Item 23. Amend subrule 25.3(5) as follows:

25.3(5) Guidelines. Applicable portions of Rural ~~Electrification~~ Utilities Service (RUS) Bulletins ~~161-3~~, 1730-1, 1730B-121, and ~~165-1~~ 1724E-300 and “The Lineman’s and Cableman’s Handbook” are suggested as guidelines for the development and implementation of an inspection plan. ANSI A300 (Part 1)-2001, “Pruning,” and Section 35 of “The Lineman’s and Cableman’s Handbook” are suggested as guides for tree trimming practices.

September 22, 2004

/s/ Diane Munns

Diane Munns
Chairman